

BRAND PORTFOLIO AND BRAND EXTENSION

BRAND PORTFOLIO



Brand Portfolio Definition

- The **Brand Portfolio** refers to an umbrella under which all the brands or brand lines of a particular firm functions to serve the needs of different market segments.
 - In simple words, brand portfolio encompasses all the brands offered by a single firm for sale to cater the needs of different groups of people.

Source: <http://businessjargons.com/brand-portfolio.html#ixzz4QcdIneGd>

Exercise 1: What are the different ROLES of brands in a portfolio?

- Why does Mercedes Benz acquire Maybach?
- Why does BMW offer BMW series 3? (Why don't they just focus on series 5 and series 7?)
- What are the roles of Tesco Lotus's three private brands?
 - Tesco Finest
 - Tesco Lotus
 - Tesco Everyday Value (Tesco EDV) – Former Kumka คุ่มค่า (meaning “Value for money”)

Brand Portfolios

High-End, Prestige brands

Flagship brands

Flankers Fighter Brands

Cash Cows

Low-End, Entry-Level

Note: One brand could serve more than one role

Other Possible Special Roles of Brands in the Brand Portfolio



- To increase shelf presence and retailer dependence in the store
- To attract consumers seeking variety who may otherwise have switched to another brand
- To increase internal competition within the firm
- To yield economies of scale in advertising, sales, merchandising, and physical distribution

New Product Development (NPD) Examples

BRAND EXTENSION

Brand Extension: Definition

- Brand extension is a new product introduced under an existing brand name
 - **Line extensions:** New product introductions within existing categories
 - **Category extensions:** New product introductions outside existing categories

Umbrella brand/ parent brand

&

Brand extension

Exercise 2.1: What are the different types of brand extension?

- Unilever & Close-up
 - Dove (bar soap, liquid soap, shampoo, hair conditioner, deodorant, etc.)
 - Breeze (powder detergent, liquid detergent)
 - Breeze power, Breeze color, etc.
 - Nike Hyperadapt 1.0
 - Toyota Prius
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Exercise 2.2:

- Each group to come up with 2 good examples of brand extension. Discuss what makes (why) this extension a good one.

Exercise 2.3: What are the Advantages of Extensions to

- 1) the new extension (2 groups)
- 2) the parent brand (2 groups)

